



Economic Development 2010 Proposed Budget

Presentation to The Woodlands Township
Third Budget Workshop

August 12, 2009

Why is Economic Development important in The Woodlands?

- The Woodlands has 25.7 million square feet of commercial and industrial space
- Employment of approximately 44,000 people
- Approximately 67% of overall budget is generated by business
- Enhances residential property values
- Economic Development is in The Woodlands Township's Enabling Legislation



Why is Economic Development important in The Woodlands?

- Vision 2034 Key Initiative 5 says:
 - The Woodlands' viability as a community and ability to pay for services and amenities is based on a strong local economy. The Township supports efforts to attract and retain employers and quality businesses to create jobs and also to position The Woodlands as a premier destination for visitors and travelers to expand the local tax base.



Development

- Many welcome economic development in The Woodlands
 - A majority (80%) say continued economic development is important

Importance of Continued Economic Development

	TOTAL SAMPLE (N=1022)	Alden Bridge (N=214)	Cochran's Crossing (N=170)	Grogan's Mill (N=170)	Panther Creek (N=153)	Sterling Ridge/ Carlton Woods (N=105)	Indian Springs (N=104)	Harper's Landing/ College Park (N=89)	All Other (N=17)
Very important	50%	50%	45%	47%	50%	58%CI	43%	58%CI	76%
Somewhat important	30%	29%	35%P	30%	22%	29%	39%PH	26%	18%
Neither important nor unimportant	7%	5%	7%	6%	12%	6%	6%	10%	6%
Not very important	6%	9%	8%H	6%	5%	6%	7%	1%	0%
Not at all important	5%	4%	5%	6%	11%ACSIH	2%	3%	3%	0%

80% Very/Somewhat important

Q32. Closed-ended

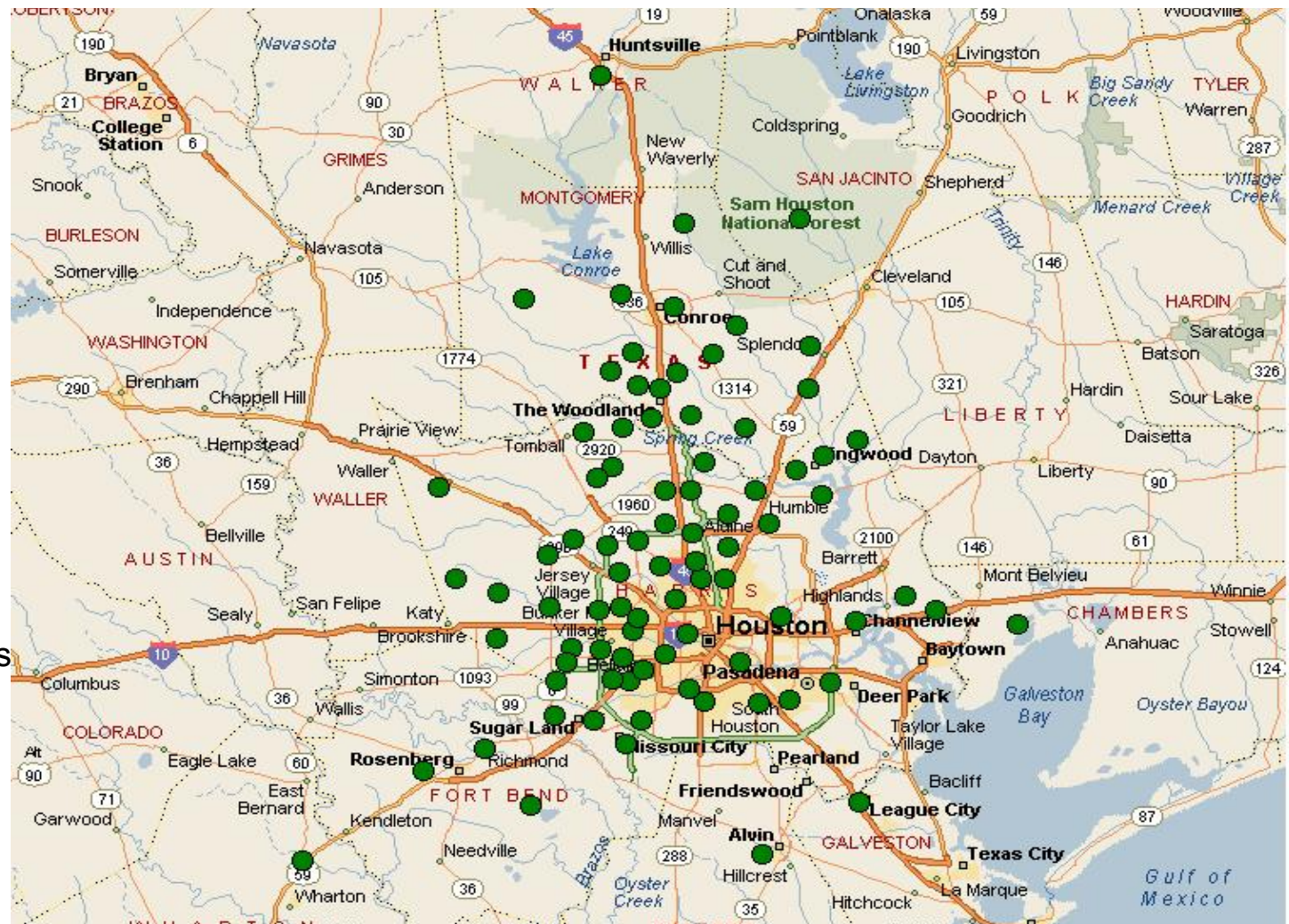
Employees of Major Corporations

12,335
employees
represented

58%
live in Montgomery
County

44%
live in South
Montgomery County

32%
live in The Woodlands





Why American Financial chose The Woodlands



“One of the best decisions we have made as a company was to relocate our corporate offices to The Woodlands. Since American Financial & Automotive Services, Inc. made the 50-mile relocation to The Woodlands, we have been very pleased with all the community has to offer. The relocation to The Woodlands has enabled our company to grow due to the location, professionalism, and the depth of the talent for recruiting initiatives. Our employees and clients constantly embrace our move as it has helped take our organization to new levels. This new location has given American Financial the opportunity to offer a wider variety of first-class restaurants, shopping, entertainment, and hotel accommodations to all of our clients. Our employees have greatly enjoyed the cultural atmosphere and all the amenities that The Woodlands has developed for their families. The Woodlands has provided the American Financial companies with the convenient location and professional atmosphere that we were looking for in relocating. American Financial is proud to call The Woodlands home.”

– Arden Hetland, President, American Financial & Automotive Services





Why Maersk chose The Woodlands



“When Maersk Line first established our Customer Resource Center here in The Woodlands 10 years ago, we were primarily driven by relative low costs combined with good availability of a skilled workforce. **Our facility in The Woodlands and staff has lived up to all our expectations, and more.** The Woodlands living offers more than anywhere else we have lived. **More choice in restaurants, recreational activities, shopping, entertainment, medical facilities, and the pure beauty and lay-out of the neighborhoods in this town, including the paths, the parks, the low-key shopping/convenience centers has made us staunch promoters of The Woodlands.** In fact we now believe that this is where we will end up retiring, when and if that time come.”

– Henning Nielsen, Vice President of Customer Service, Maersk Line





What is in 2010 Budget

In accordance with Key Initiative 5.1.2 Economic Development, Key Initiative 1.6 Service Delivery, Key Initiative 1.2.1 Service Delivery, Key Initiative 5.2.2 Economic Development

- South Montgomery County Woodlands Economic Development Partnership
- Greater Houston Partnership
- Opportunity Houston
- Center for Houston's Future
- Project Planning & Development Committee
- Ad Hoc Committees
- Public Facilities Administration Committee





Welcome to The Woodlands



Suburban living with a vision

BY DEBORAH QUINN HENSEL

IN THE EARLY 1960s,

oil and real estate entrepreneur George P. Mitchell had a vision—one that would not advance from blueprint to ground-breaking for a decade but would eventually materialize as a unique master-planned bedroom community on Interstate 45, 50 miles north of downtown Houston. In the more than four decades since then, The Woodlands has developed into a sophisticated township and metropolitan destination in its own right, a dense place where Eden has won the Urban Land Institute's Special Award for Excellence in 1994.

Historical documents from the Grogan and Cochran families, who owned the Grogan-Cochran Lumber Mill, which can be found under in 1927, indicate that Mitchell bought their property near Tawehia, Texas, in 1964—a part of a parcel of 50,000 acres from Montgomery County, as well as nearby Waller, Gates, and Liberty

counties. Mitchell then formed The Woodlands Corporation, an extension of his company, Mitchell Energy and Development. Mitchell consulted noted Scottish landscape architect Ian McHarg to assist with planning the community, along with Robert Housman, AIA, who will serve as vice president of planning for The Woodlands Development Company. McHarg's concept of ecological land-use planning, spelled out in his 1969 book *Design with Nature*, largely informed the project's principles of environmental preservation.

The grand opening of The Woodlands was marked by a flag-raising ceremony on the morning of October 15, 1974, as the original infrastructure center in the Village of Grogan's Mill. The Woodlands was small, with a few families taking up residence in Soder's Center near a conference center and country club, a few small shops, 50 model homes and 50 apartments. What followed over the next 34 years echoes what the developers

wrote from the town's first land-use plan to Keesler's character. Ray Kinsella, in the film *Field of Dreams*: "If you build it, they will come." The difference is that this is no town created by an upscale wooded woodland where every amenity one could possibly want can be reached by hiking, biking or waterway trails.

The 20,000-acre development The Woodlands today encompasses nine residential villages, about 6,000 acres of open space and golf courses including 110 parks, three commercial centers for business, shopping, dining and recreation—including The Woodlands Town Center, and a 14-mile waterway amenity paved after San Antonio's River Walk. A total of 8,000 acres have been so able to remain undeveloped when the community is completed. Rounds in the nation and first in the state in new-home sales, The Woodlands now has nearly 50,000 single-family residences

"Our residents and visitors desire quality experiences and they are finding them right here in The Woodlands."

—Nelda Blair, CHAIRMAN OF THE WOODLANDS TOWNSHIP

AND THE WOODLANDS CONVENTION & VISITORS BUREAU. The population of The Woodlands is close to 90,000 and growing, along with its many educational, entertainment and business opportunities.

The Woodlands High School (TWHS), the largest high school in the state of Texas in terms of size (operated over two campuses), was also the largest in terms of enrollment until The Woodlands College Park High School opened in 2005. TWHS ranked 700 on *Newsweek*

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Greater Houston Partnership
houston.org



THE WOODLANDS
CONVENTION & VISITORS BUREAU

Business Recruitment

Site Visits

Project Gene

- Hosted an international medical device manufacturer for a site visit to The Woodlands
- Considering its first U.S. production center
- Approximately \$1.5 million in capital investment
- 44 new jobs projected

Project Patriot

- Hosted company who is headquartered in St. Joseph, MO, on a site visit
- Looking at sites to expand their machining operations of hard and soft metals for the aerospace and energy industries
- Initially, they will employ approximately 20-25 employees and occupy a 25,000-30,000 sq ft building
- Their long term plans include a 100,000-120,000 sq ft building and approximately 100-125 employees

Requests for Proposals

Project Montana

- Service provider looking for a regional headquarters
- Interested in purchasing a stand-alone existing 100,000 to 150,000 sq ft Class A building or larger
- Project to create 800 new jobs with an annual salary range from \$40,000 to \$100,000 (with an average of \$70,000)

Project Blue

- High tech company develops and markets products that acquire and wirelessly transmit patient vital signs to patient monitoring systems
- Approximately 50 will be employed at the proposed operation with an average salary of \$100,000
- The projected capital investment is approximately \$1.5 million

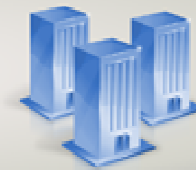
Business Retention and Expansion

BR/E Activity August 2008 – July 2009

201 site visits representing
approximately 63,080 employees

Business Retention & Expansion

"BR&E is an economic development strategy that focuses on the retention and expansion of existing businesses. Programs are designed to help support existing business develop and expand in today's global economy." - Business Retention & Expansion International



Major Non-Retail Employers Workforce Review January 2009 – June 2009

- South Montgomery County's Major Non-Retail Employers are comprised of 47 companies. These companies represent employers with at least 100 employees
- In January 2009, we had 48 companies listed. One company reduced staffing levels to below 100; a loss of 15 jobs
- The total workforce with our major non-retail employers represents 22,241 employees; down 60 employees from January 2009
- The largest business sectors in South Montgomery County are Energy, Healthcare and Professional/Specialty Services. Since January 2009, these sectors workforce changed as follows:
 - Energy Sector represents 6,330 employees; down 54 jobs
 - Healthcare Sector represents 4,415 employees; up 82 jobs
 - Professional/Specialty Services represents 3,825 employees; down 41 jobs



QUESTIONS?